



## **Commerce Resources Corp. Announces Binding Memorandum of Understanding with NorFalco**

**April 7, 2016 - Commerce Resources Corp.** (TSXv: CCE, FSE: D7H, OTCQX: CMRZF) (the “Company” or “Commerce”) is pleased to announce that it has entered into a Memorandum of Understanding (MOU) with NorFalco Sales (“NorFalco”), a division of Glencore Canada Corporation.

Under the terms of the MOU, the Company agrees that NorFalco will be the sole provider of the sulphuric acid required for the Ashram Project, at highly competitive market rates and terms. The agreement is binding and is subject to an initial 5 year term and may be re-negotiated thereafter.

Company President Chris Grove states, “We are very excited to be working with NorFalco, an industry leader in marketing, trading, and distribution of sulphuric acid. This agreement is a significant first step in what we expect to be a meaningful ongoing supply relationship with NorFalco. The nature of this agreement today is that it is a benefit to the Ashram Project with favourable pricing for one of the largest project consumables. We look forward to working with NorFalco”.

The information outlined in this news release will be incorporated, along with other necessary technical data including geological and engineering studies, into the ongoing Pre-feasibility Study, with costs and benefits to be described in more detail therein.

### **NI 43-101 Disclosure**

Darren L. Smith, M.Sc., P.Geol., Dahrouge Geological Consulting Ltd., a Qualified Person as defined by National Instrument 43-101, supervised the preparation of the technical information in this news release.

### **About the Ashram Rare Earth Element Deposit**

The Ashram Rare Earth Element (REE) Deposit is located in Nunavik, north-eastern Quebec. The Deposit has a measured resource of 1.6 million tonnes (Mt) at 1.77% TREO, an indicated resource of 27.7 Mt at 1.90% TREO, and an inferred resource of 219.8 Mt at 1.88% TREO. Mineral resources are not mineral reserves as they do not have demonstrated economic viability.

The REEs at Ashram occur primarily in the mineral monazite and to a lesser extent in bastnaesite and xenotime. These minerals dominate the currently known commercial extraction processes for rare earths. The Ashram Deposit mineralization has an REE distribution with enrichment in the critical and magnet feed REEs (Nd, Pr, Eu, Tb, Dy, and Y).



A Preliminary Economic Assessment (PEA) was completed by SGS-Geostat of Montreal (Blainville) with an effective date of July 5, 2012 (revised date of January 7, 2015). The PEA is based on a 4,000 tonne per day open-pit operation with an initial 25-year mine life, a pre-tax Net Present Value (NPV) of \$2.32 billion at a 10% discount rate, a pre-tax/pre-finance Internal Rate of Return (IRR) of 44%, and a pre-tax/pre-finance payback period of 2.25 years.

This economic assessment is by definition preliminary in nature and it includes inferred mineral resources that are considered too speculative to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the PEA will be realized. The current Ashram Technical Report dated January 7, 2015 explains why no after-tax case is included, and that a combined tax rate of around 32.5% may apply to production.

#### **About Norfalco**

NorFalco is one of North America's largest traders of sulfuric acid, responsible for the marketing and distribution of about 2 million tonnes per year. Through parent company Glencore, NorFalco has exclusive access to sulfuric acid production from four major North American production facilities and to an unrivaled global sulfuric acid supply and trading network. Additionally, NorFalco has offtake agreements with several other Producers outside of the Glencore group. Norfalco's fully integrated distribution network, comprising of rail cars, trucks, barges, vessels, trans-load terminals and import terminals, is one the most expansive and reliable networks in North America. These production, marketing, and distribution strengths help ensure excellent reliability to a diverse range of consumers across more than 20 different industries. The company is a Responsible Care® company with the Chemistry Industry Association of Canada. NorFalco is committed to delivering "More than H<sub>2</sub>SO<sub>4</sub>". This means delivering customer solutions that make it easy to order, receive and use sulfuric acid in a safe and reliable manner.

#### **About Commerce Resources Corp.**

Commerce Resources Corp. is an exploration and development company with a particular focus on deposits of rare metals and rare earth elements. The Company is focused on the development of its Ashram Rare Earth Element Deposit in Quebec and the Upper Fir Tantalum and Niobium Deposit in British Columbia.

For more information please visit the corporate website at <http://www.commerceresources.com> or contact Investor Relations at 604.484.2700 or [info@commerceresources.com](mailto:info@commerceresources.com).



COMMERCE RESOURCES CORP.

On Behalf of the Board of Directors  
**COMMERCE RESOURCES CORP.**

“Chris Grove”

Chris Grove  
President  
Tel: 604.484.2700

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

#### Forward-Looking Statements

This news release contains forward-looking information which is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ from those projected in the forward-looking statements. For example forward looking statements in this press release include that NorFalco will provide sulphuric acid to the Ashram Project as the mineral reserves have not demonstrated economic viability at this stage. These forward-looking statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Risks that could change or prevent these statements from coming to fruition include changing costs for mining and processing; increased capital costs; the timing and content of upcoming work programs; geological interpretations based on current data that may change with more detailed information; potential process methods and mineral recoveries assumption based on limited test work and by comparison to what are considered analogous deposits that with further test work may not be comparable; the availability of labour, equipment and markets for the products produced; and despite the current expected viability of the project, conditions changing such that the minerals on our property cannot be economically mined, or that the required permits to build and operate the envisaged mine can be obtained. The forward-looking information contained herein is given as of the date hereof and the Company assumes no responsibility to update or revise such information to reflect new events or circumstances, except as required by law.